

# Washington Economic Outlook

Presented to the  
Pacific Northwest Regional Economic Conference

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Executive Director

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Bend, OR



**WASHINGTON STATE  
ECONOMIC AND REVENUE FORECAST COUNCIL**



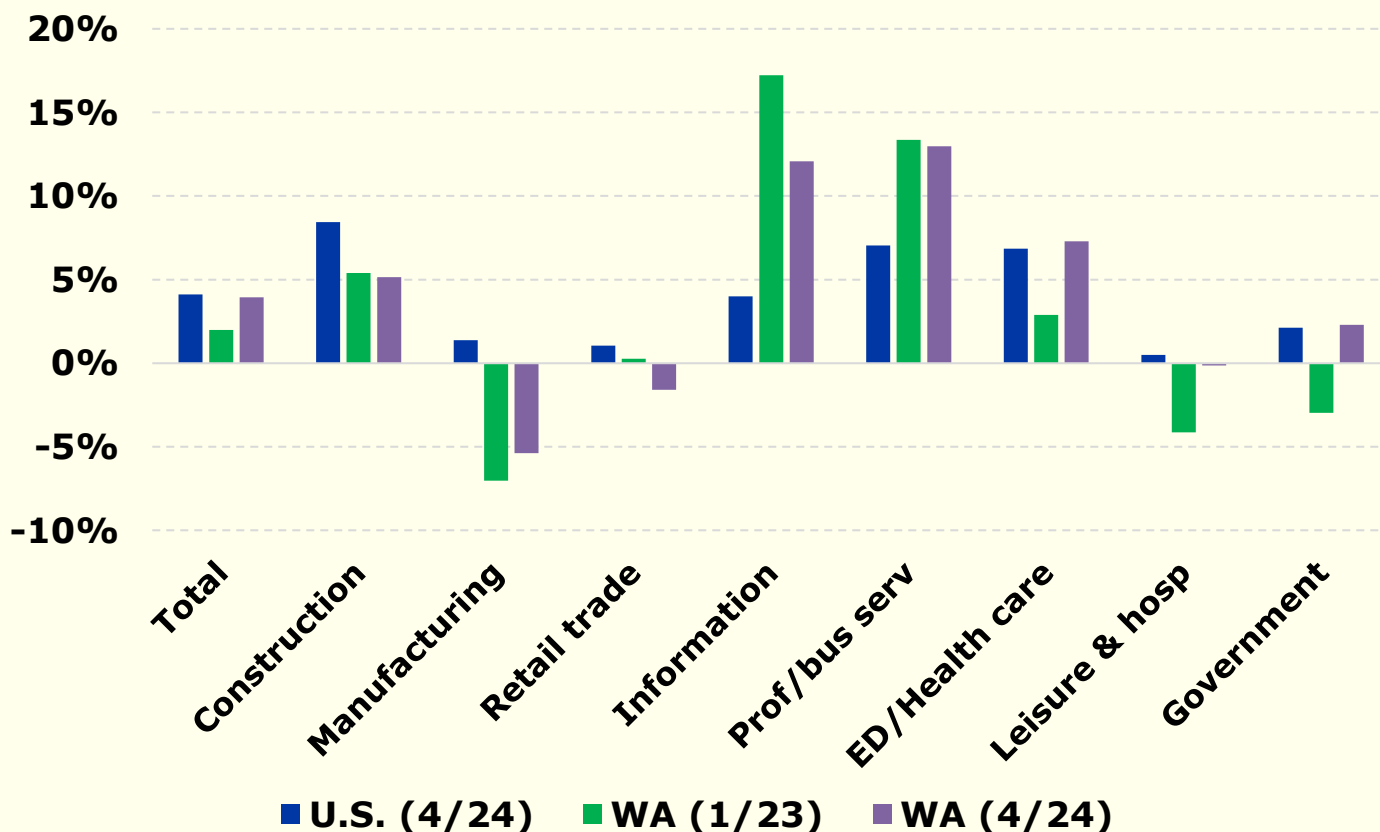
# U.S., WA post-pandemic employment changes differ across industries and time frames

April 2024 employment:

U.S. = 4.1% above January 2020

WA = 3.9% above January 2020

### Employment Change: January 2023 and April 2024 compared to January 2020 (SA)



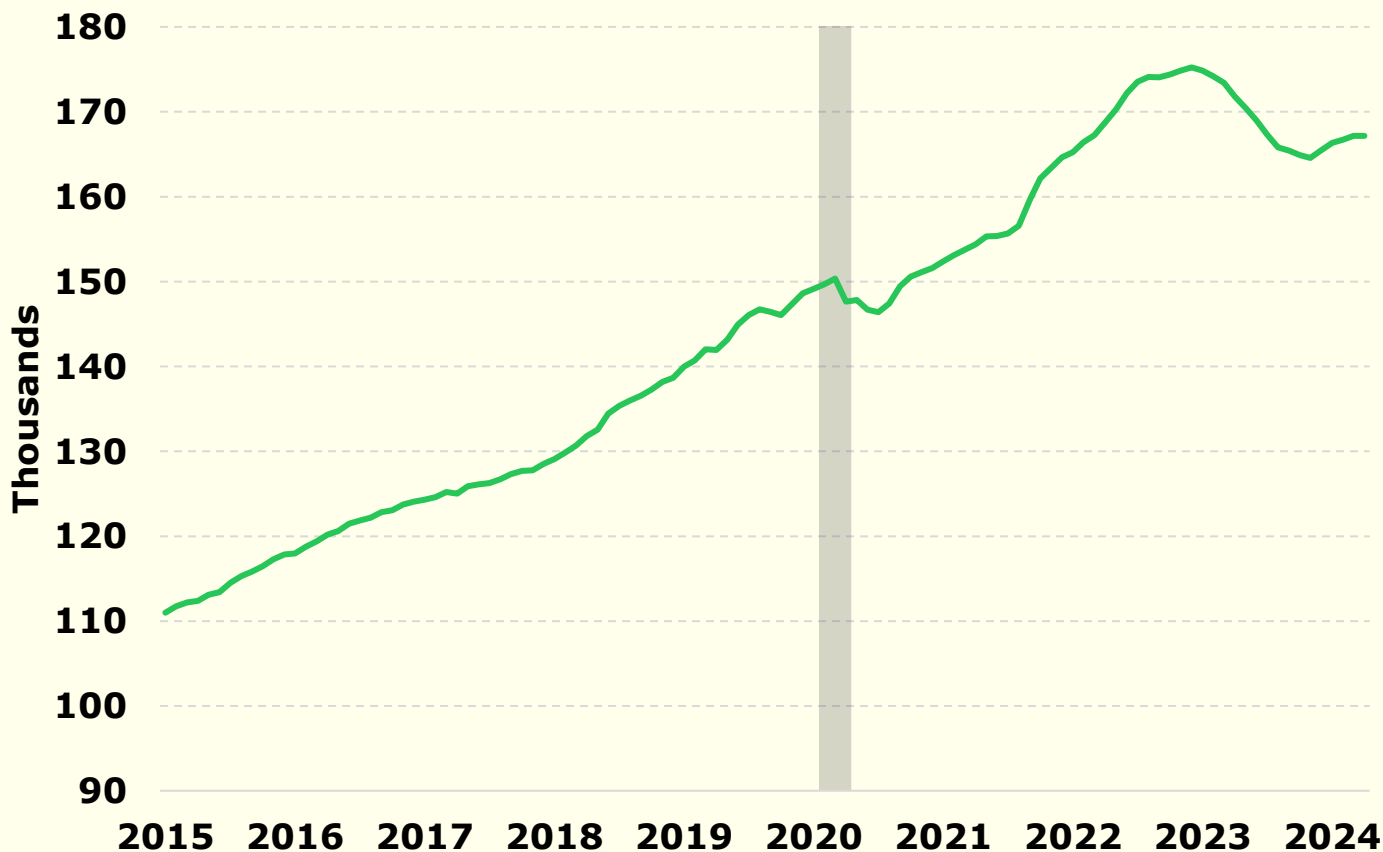
Source: ERFC, U.S. Bureau of Labor Statistics, WA Employment Security Dept.



# WA information employment is down 8,100 since December 2022

Microsoft announced layoffs in 2023; other tech firms have also slowed or reduced hiring.

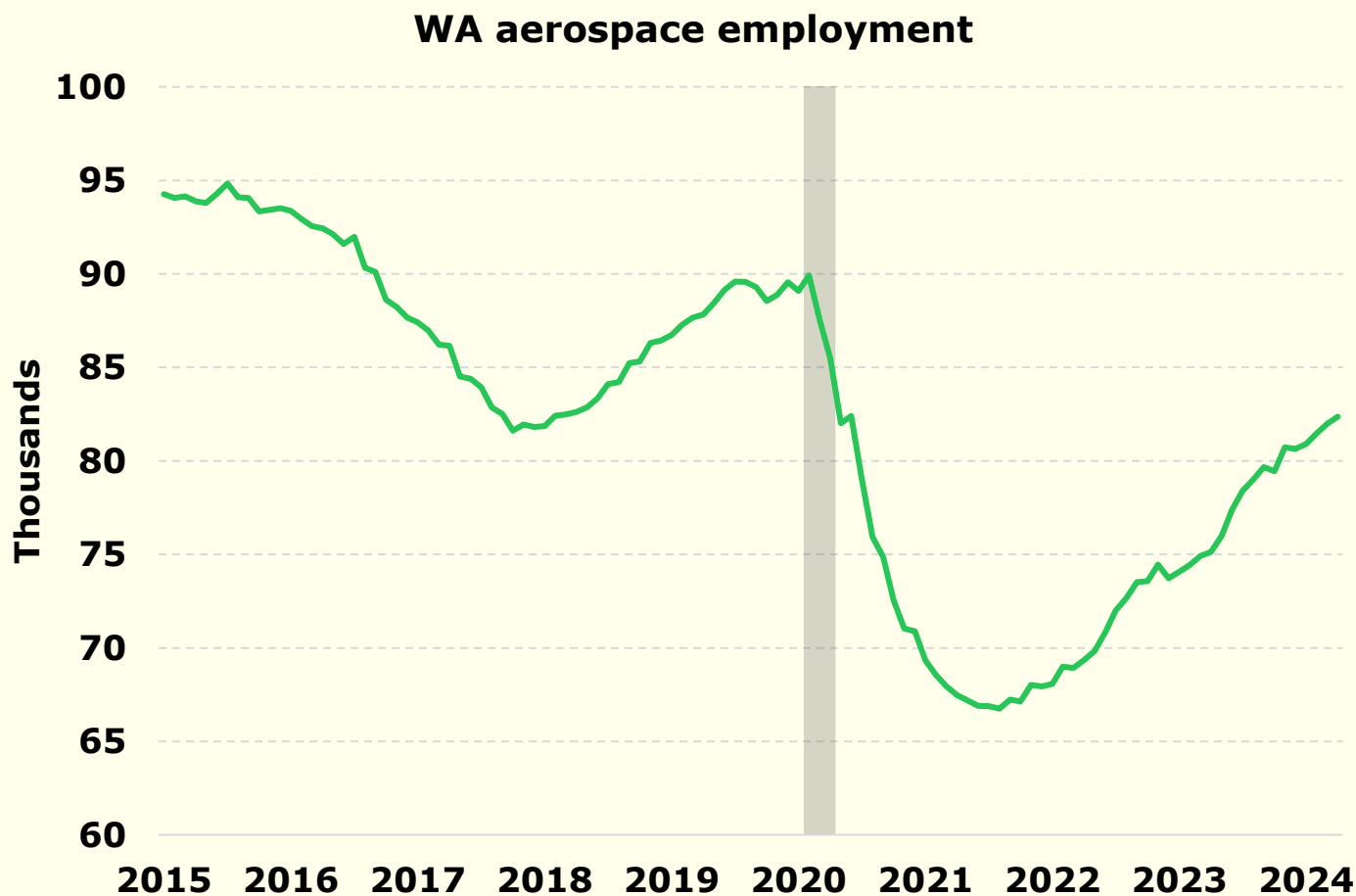
### WA Information Employment



Source: ERFC, U.S. Bureau of Labor Statistics, Employment Security Dept., data through April 2024



# WA aerospace employment is up 15,700 since low point in August 2021

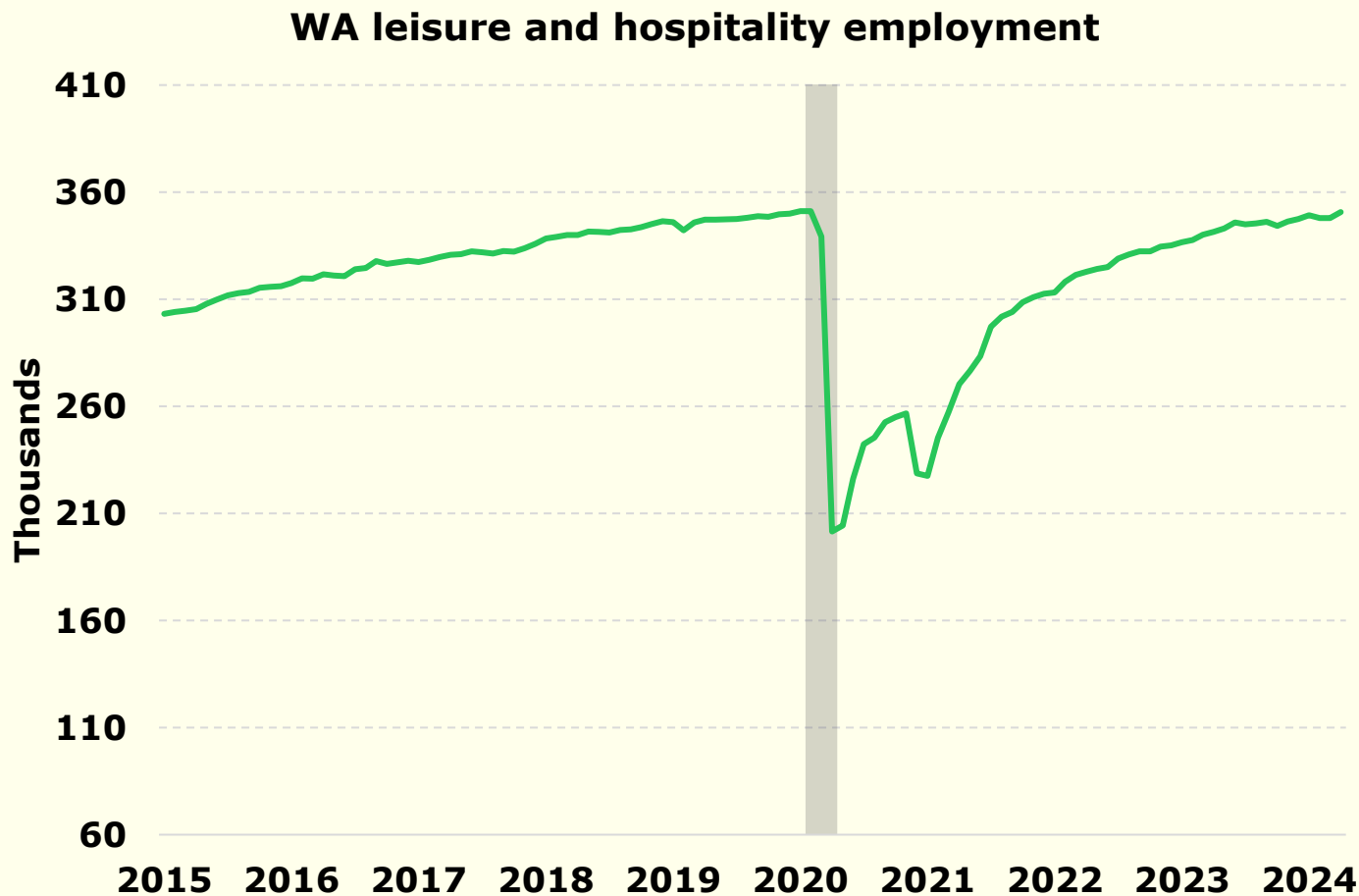


Source: ERFC, U.S. Bureau of Labor Statistics, Employment Security Dept., data through April 2024



# WA leisure and hospitality employment has recovered from Covid

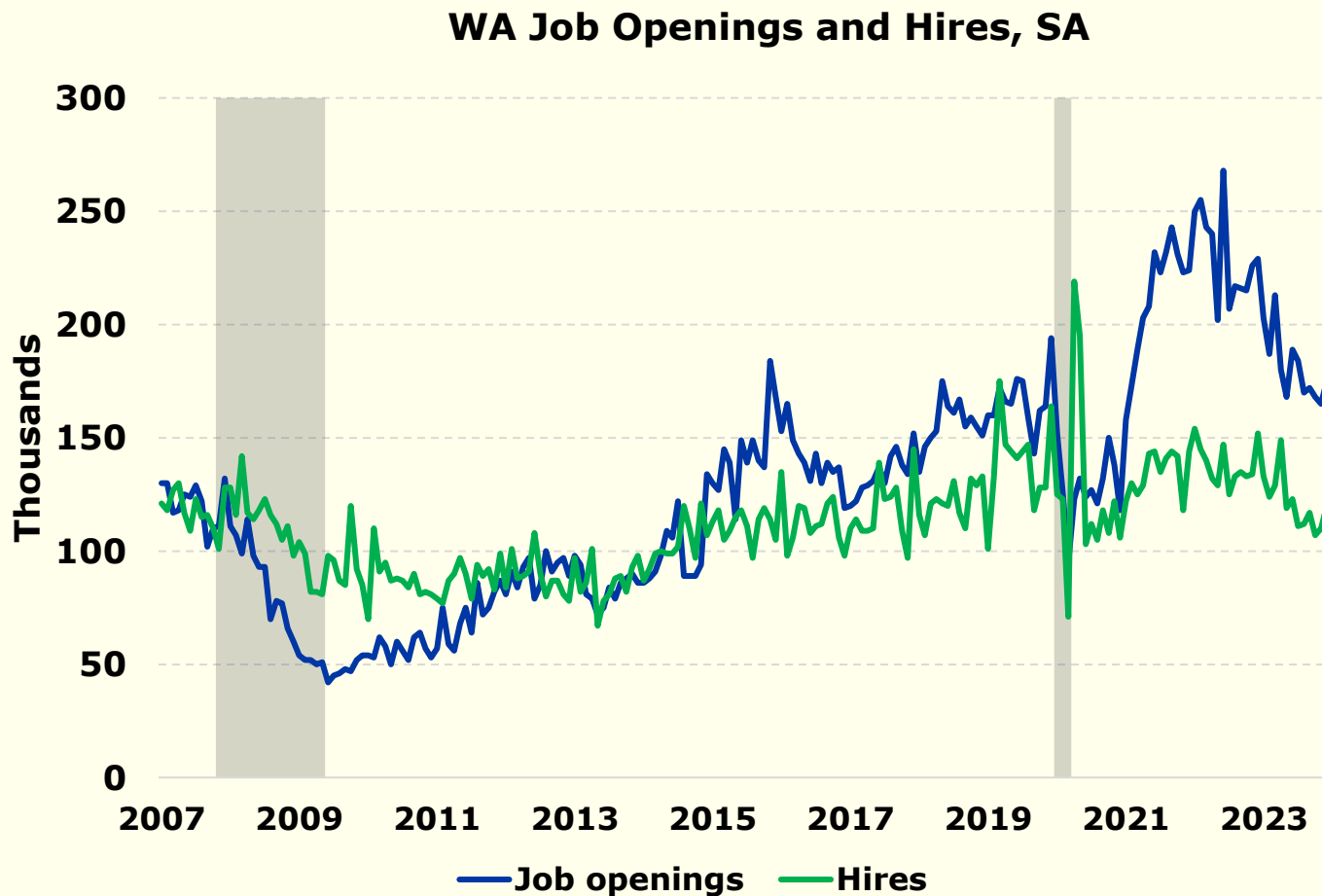
The leisure and hospitality sector is down 400 jobs in April 2024 compared with January 2020



Source: ERFC, U.S. Bureau of Labor Statistics, Employment Security Dept., data through April 2024



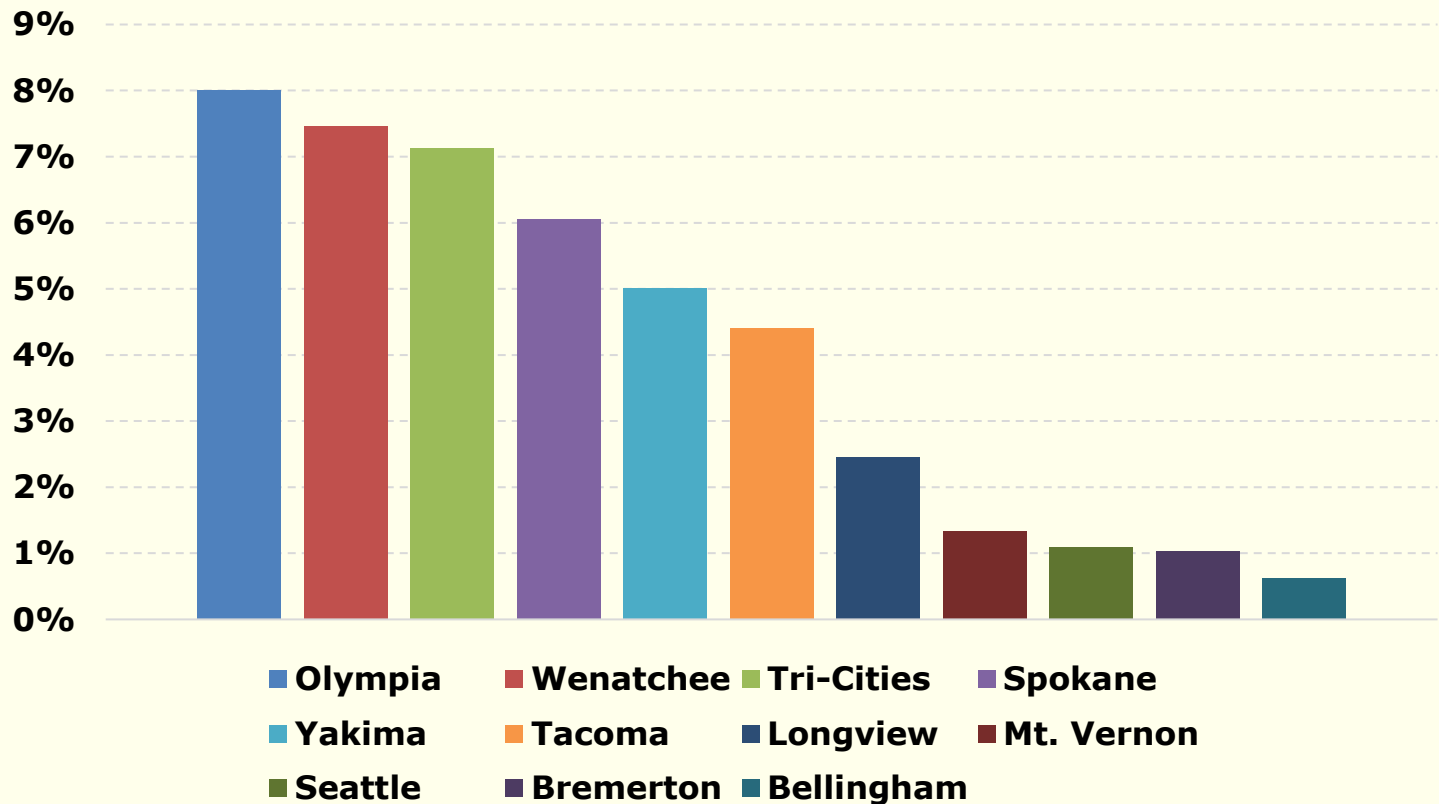
# Washington job openings down from 2022 peak, consistent with national picture





# Post-pandemic employment changes vary widely across metro areas

Employment Change: March 2024 compared to January 2020 (SA)

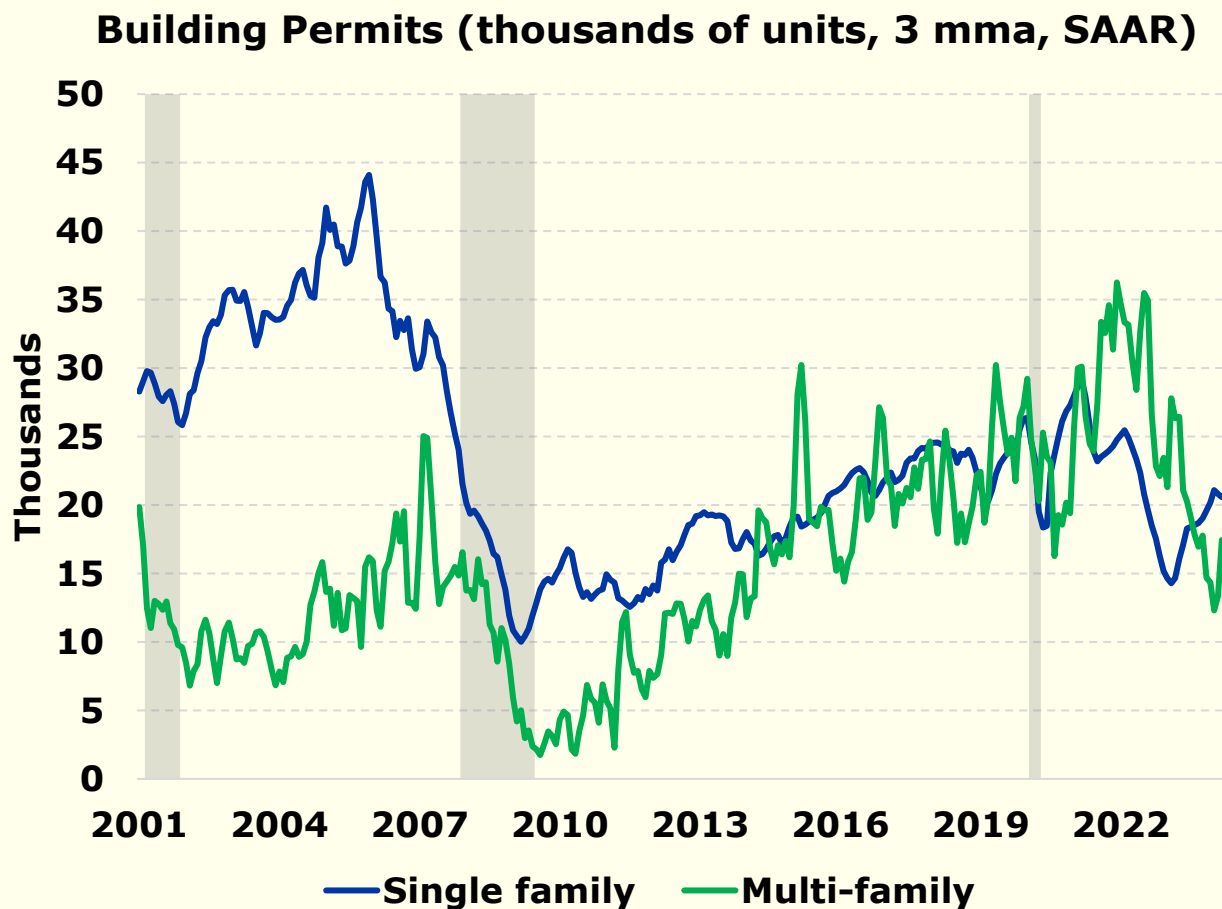


Source: WA Employment Security Dept.

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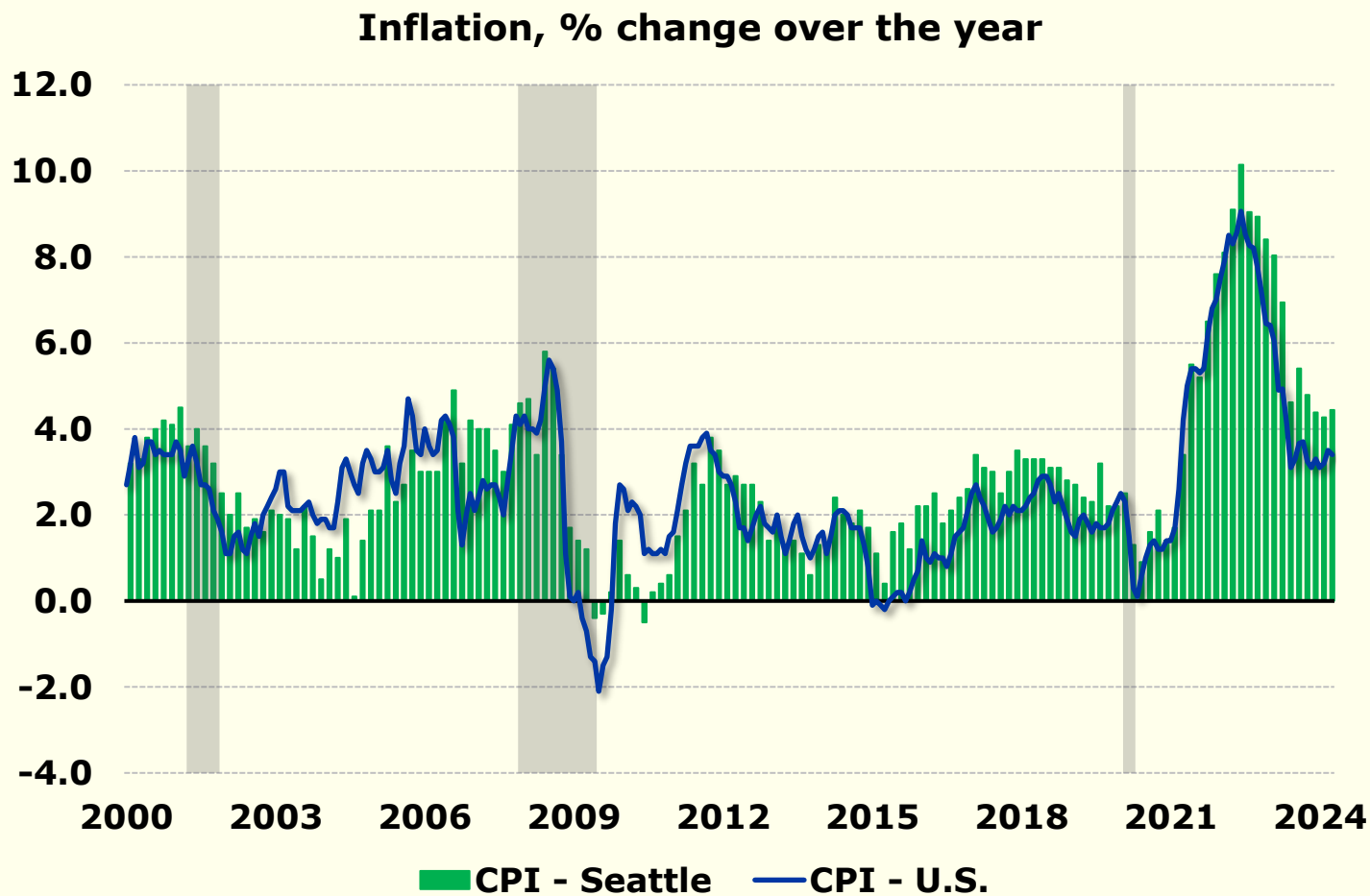
# WA multi-family has been trending down, single-family has been recovering





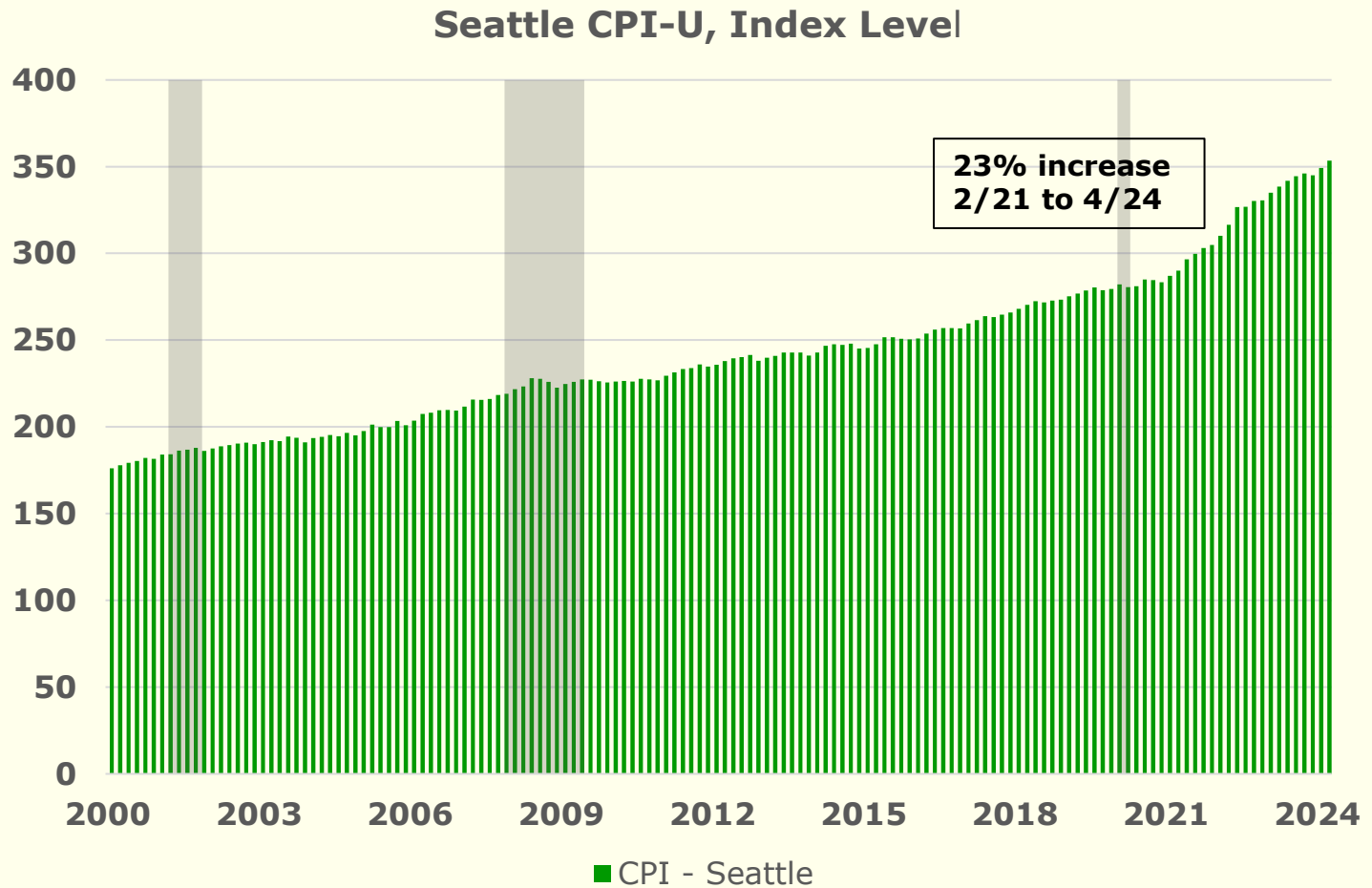


# Inflation has slowed significantly but remains above the target rate





# Slowing inflation is good news, but the level of prices has increased significantly of late



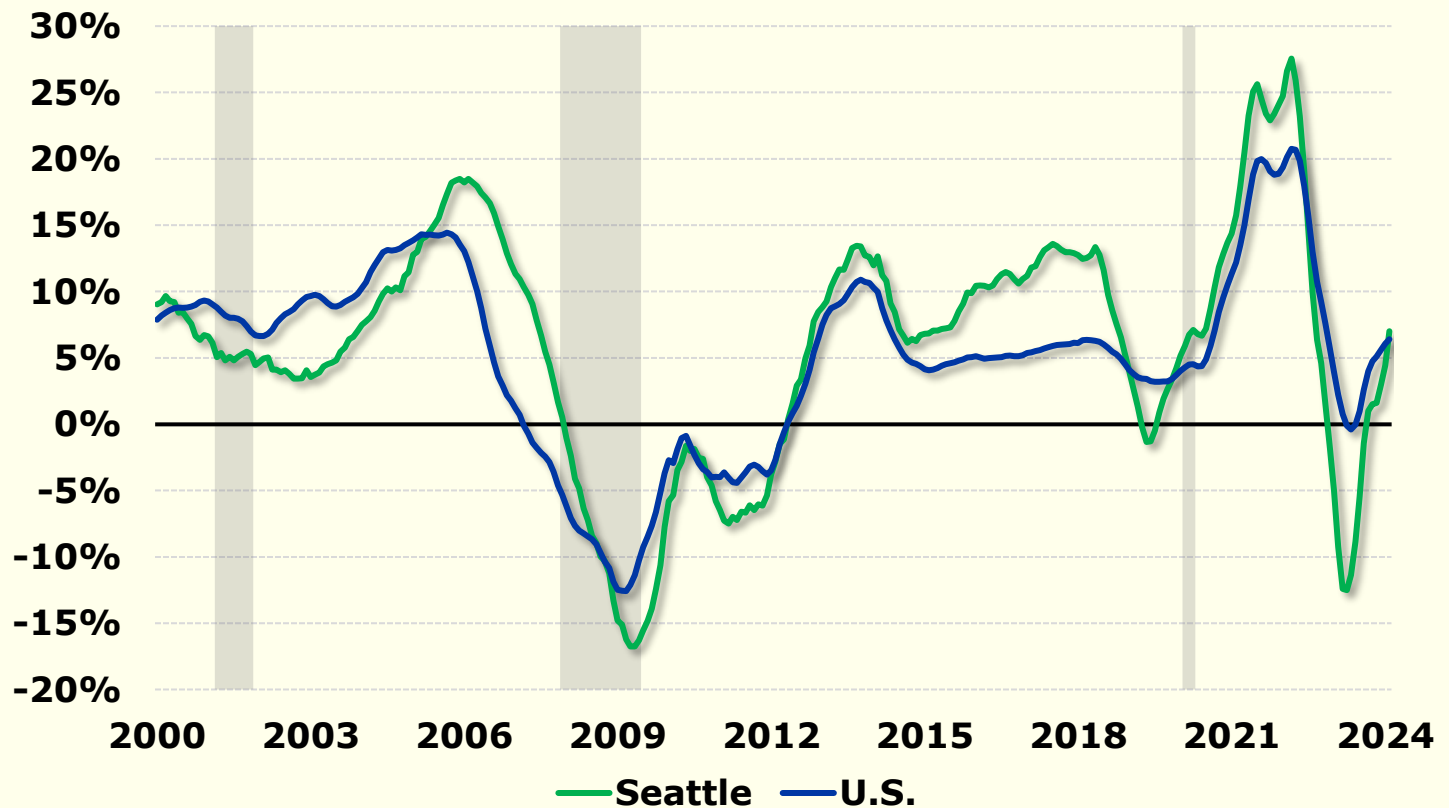
Source: U.S. Bureau of Labor Statistics, data through April 2024



# Home price growth turned negative in late 2022, but is increasing again

Seattle area home prices bottomed in March 2023 but have been increasing since then

### Case-Shiller Home Price Index, Year over Year % Change, SA



Source: Case-Shiller, data through February 2024



# WA exports have increased from their 2020 low

Total Exports

2019: \$60.3 B

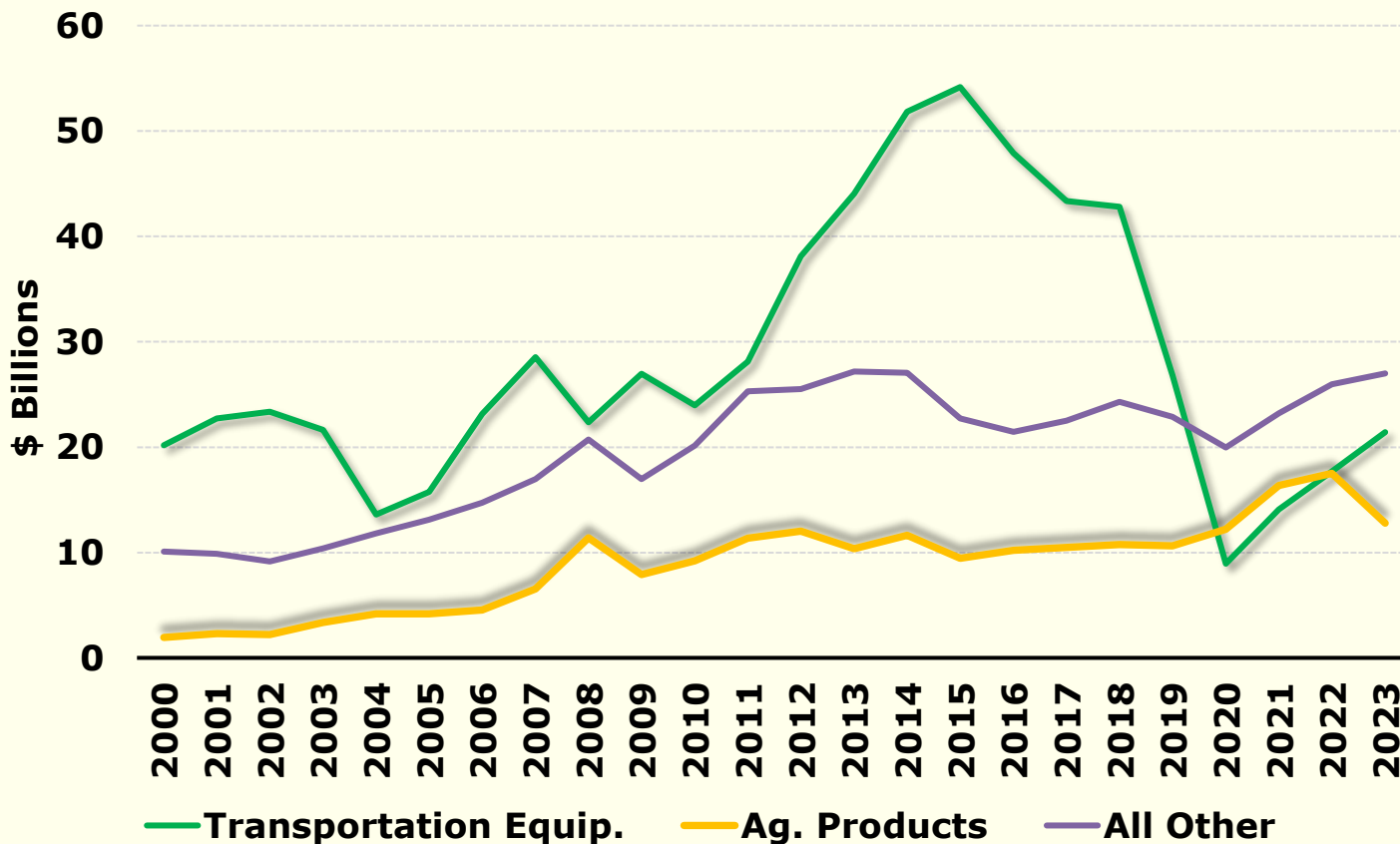
2020: \$41.1 B

2021: \$53.7 B

2022: \$61.2 B

2023: \$61.2 B

### WA merchandise exports



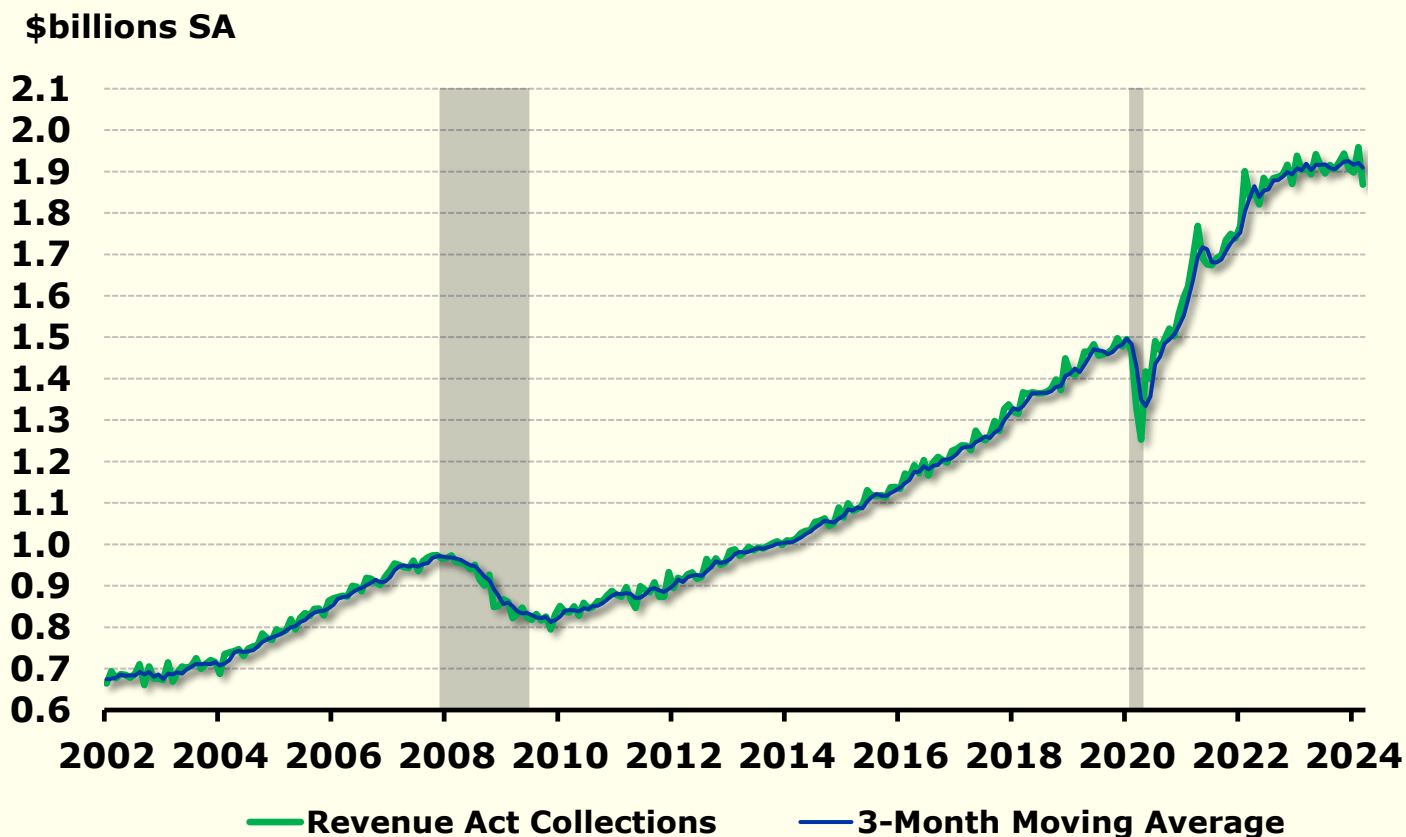
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Source: WISERTrade; data through 2023



# Revenue Act collections growth has slowed; March activity was down 2.4% compared with March 2023

Revenue Act includes:  
Sales tax  
B&O tax  
Use tax  
Pub util tax  
Penalties  
Tobacco



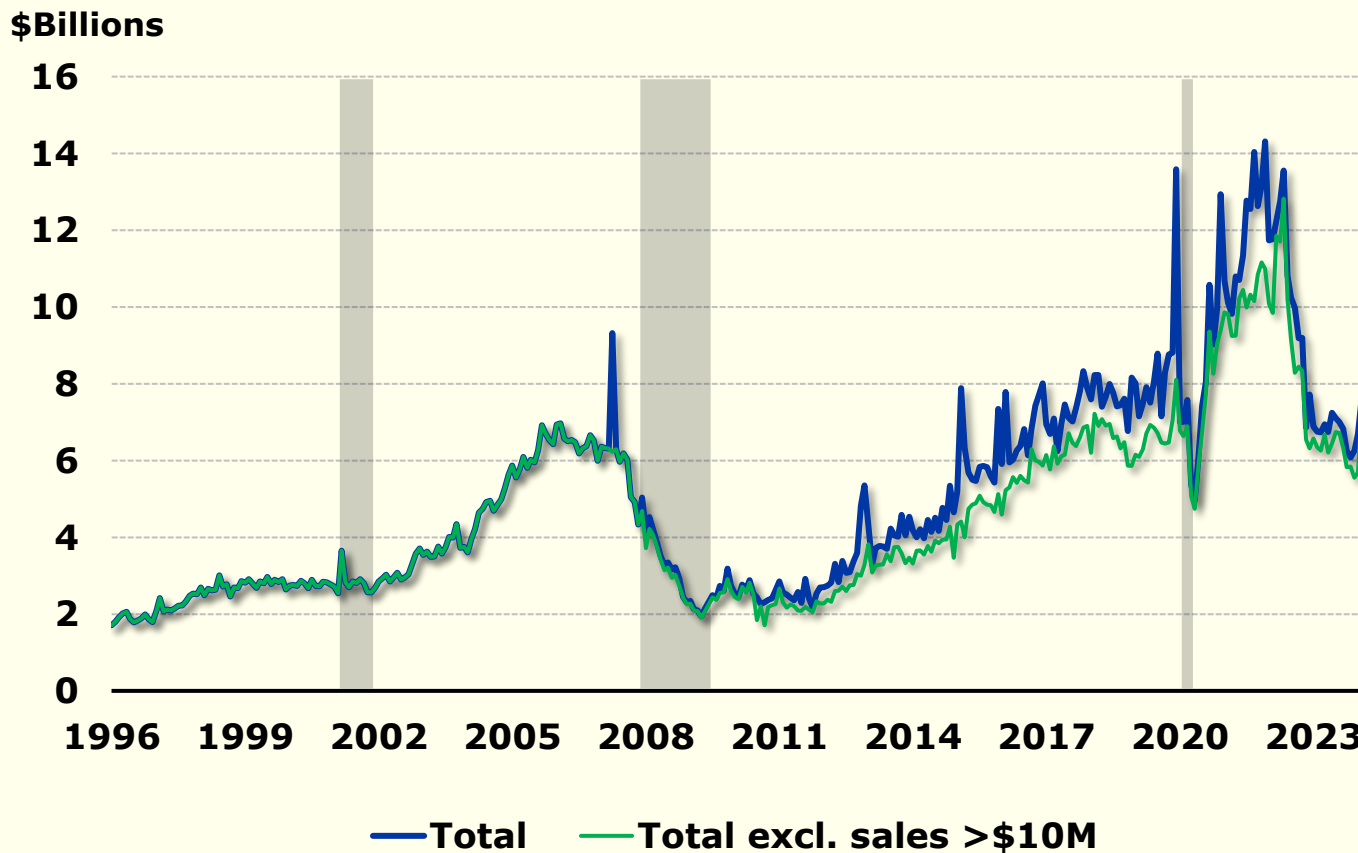
\* Adjusted for large one-time transactions, amnesty payments, reporting frequency change and deferred 2020 payments, current definition of Revenue Act  
Source: DOR and ERFC; monthly data through March 2024 activity



# Residential and commercial taxable real estate activity has slowed significantly but likely bottomed

Transactions of \$10 million or more were about \$300M in April 2024

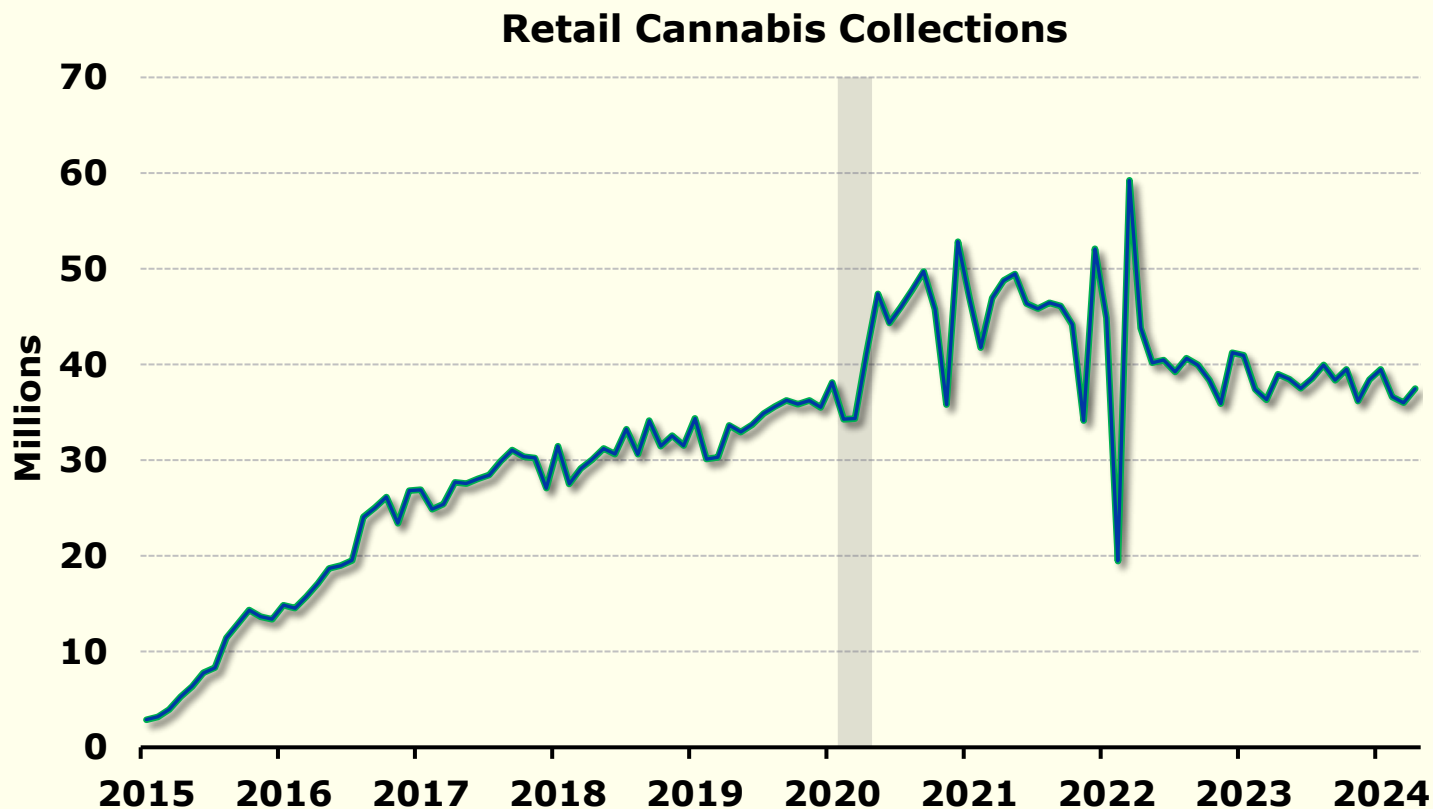
### Seasonally Adjusted Taxable Real Estate Excise Activity



Source: ERFC; Monthly data through April 2024 estimate



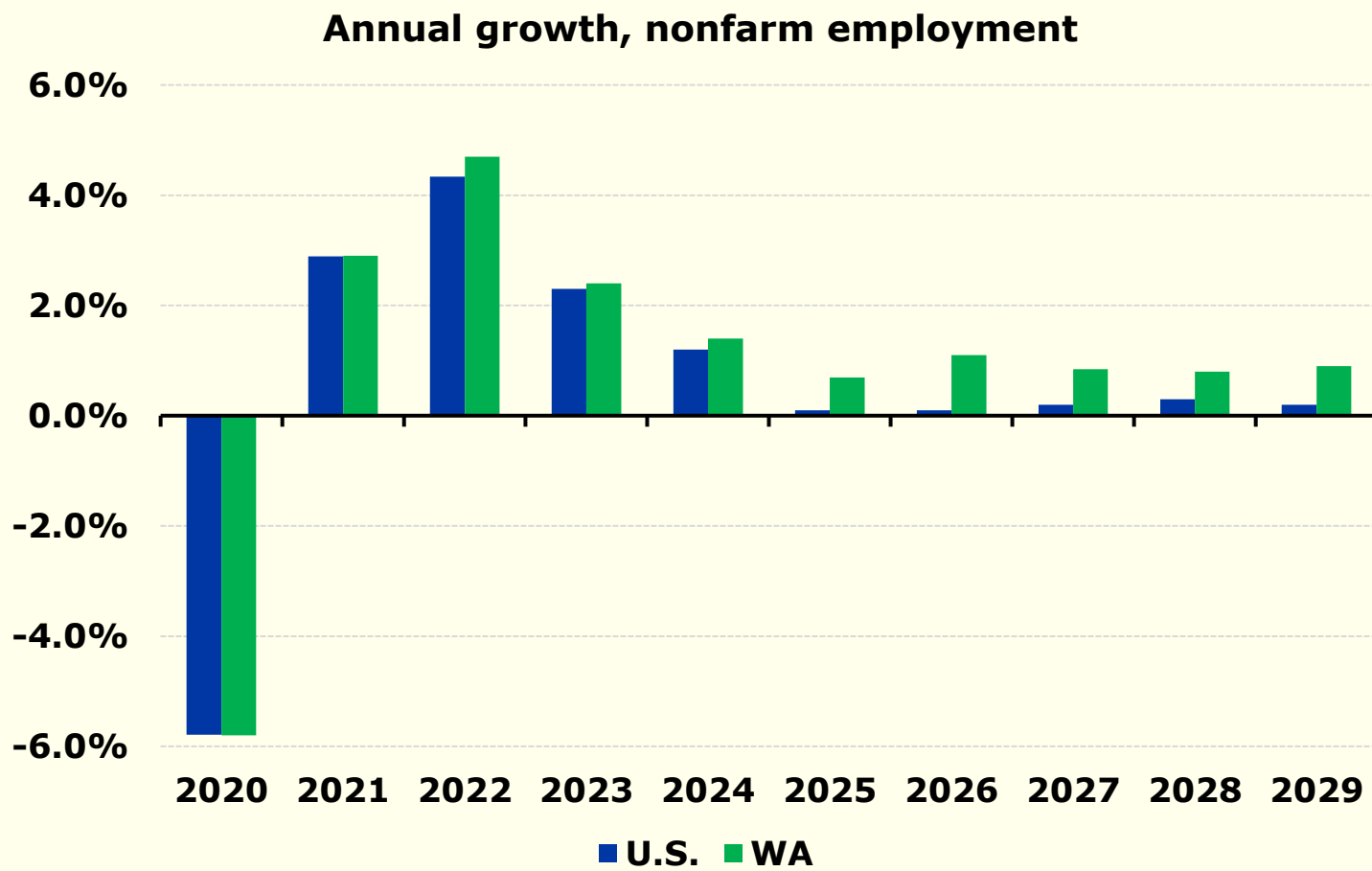
# WA cannabis revenues have moderated



Source: Historical data through April 2024



# WA employment expected to grow faster than the U.S. in 2024 – 2029, but both will slow

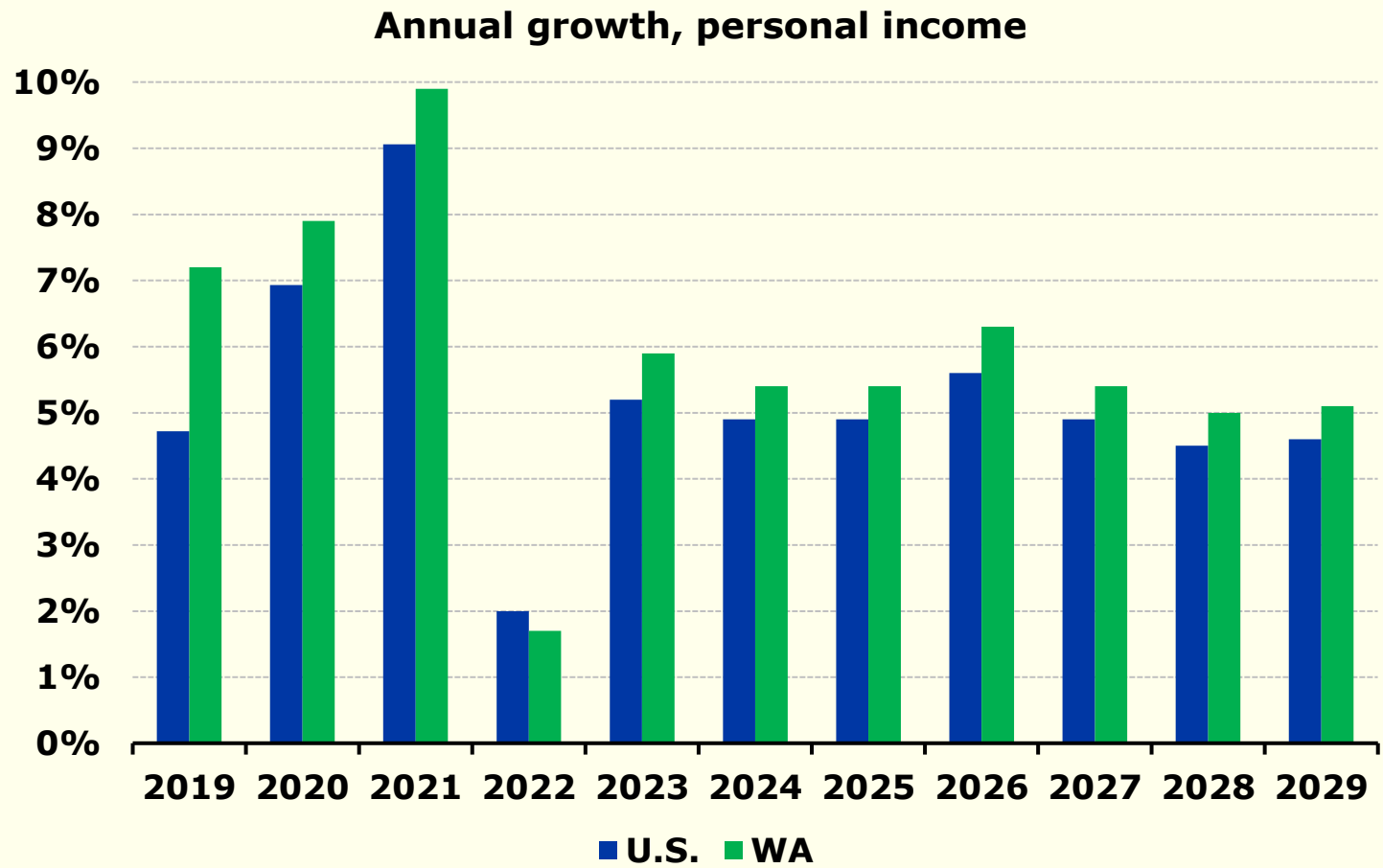


Source: ERFC February 2024 forecast





# For 2024 – 2029, WA personal income is expected to grow faster than the U.S.



Source: ERFC February 2024 forecast



# Questions



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